

**CITY OF YONKERS
CAPITAL BUDGET
FISCAL YEAR 2011**

The Capital Expense budget finances the construction or the reconstruction of facilities and services, the acquisition and replacement of vehicles and equipment, and certain other projects and improvements that provide benefits over a multi-year period. To be included in the budget, a project or item must be consistent with the definition of "capital object or purpose" included in Section 11 of New York State Local Finance Law.

The financing of these capital projects may occur principally through two means. First, a direct appropriation may be made; this type of appropriation is included in the operating capital section of the Budget. Second, funds for the project may be obtained through the issuance of bonds and notes. The subsequent repayment of these borrowed funds and the related interest costs are called "debt service". Appropriations for these expenses are included in the Debt Service section of this budget.

The City Council must adopt the Capital Budget after a public hearing. It takes a 2/3 majority vote of the Council to pass the Capital Budget. In order to fund the Capital Budget, the City Council must adopt a bond ordinance also by a 2/3 majority vote.

Due to the uncertainty of the Fiscal Year 2011 operating budget, the Mayor has proposed \$0 Capital Budget. The Mayor may amend this Capital Budget when the operating budget for the City and Board of Education are finalized.

**CITY OF YONKERS
CAPITAL BUDGET
FISCAL YEAR 2011**

<u>DEPARTMENT/PROJECT(s)</u>	<u>Authorizations FY 2008/2009</u>	<u>Authorizations FY 2010</u>
CITY PROJECTS:		
<u>FIRE DEPARTMENT:</u>		
Fire House Construction	\$ -	\$ -
Acquisition of Building/Land	-	-
Fire House Rehabilitation	-	-
Vehicles	-	-
Equipment	1,260,000	-
Departmental Total	\$ 1,260,000	\$ -
<u>D.P.W.:</u>		
Underhill Drainage & Paving	\$ -	\$ -
Acquisitions of Building	-	-
Rumsey/Spring Road Flooding	725,000	-
Buena Vista Flume Repair	-	-
Flood abatement - Hillside to Midland Avenue	-	-
Troublesome Brook Drainage Remediation	-	-
Sawmill/Bronx River/ Hudson Outflow Remediation	-	2,500,000
Sanitary/Storm Sewer Improvements	1,000,000	-
City Buildings Rehabilitation	-	-
Sidewalks/Steps Replacements	300,000	-
Guardrail Replacements	-	-
Street lights	-	-
Hydrant Replacement/Upgrades	300,000	-
Meter Replacements/Remote System	-	-
Cleaning & Lining Waterlines	1,000,000	-
Water Main Replacement (Crestwood)	-	-
North Broadway Water System Reconstruction	-	-
Water Valve Replacement	500,000	-
Water Tower Rehabilitation	2,500,000	-
Improvements to Water Treatment Plant	1,000,000	-
Government Garage Improvements	-	-
Hillview Pump Station Upgrade	-	-
Organic Yard Rehabilitation	-	-

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FISCAL YEAR 2011**

Executive FY 2011	Total Cost For Project	Method of Financing
\$ -	\$ -	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	1,260,000	Bonding
\$ -	\$ 1,260,000	
\$ -	\$ -	Bonding
-	-	Bonding
-	725,000	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	2,500,000	Bonding
-	1,000,000	Bonding
-	-	Bonding
-	300,000	Bonding
-	-	Bonding
-	-	Bonding
-	300,000	Bonding
-	-	Bonding
-	1,000,000	Bonding
-	-	Bonding
-	-	Bonding
-	500,000	Bonding
-	2,500,000	Bonding
-	1,000,000	Bonding
-	-	
-	-	Bonding
-	-	Bonding

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<u>DEPARTMENT/PROJECT(s)</u>	<u>Authorizations FY 2008/2009</u>	<u>Authorizations FY 2010</u>
Resurfacing	-	1,500,000
Bridges Reconstruction	-	475,000
Resurfacing of City Garage	-	-
Wall Reconstruction	-	-
Grassy Sprain Dam Reconstruction	-	-
Emergency Generator	-	-
Ventilation System Upgrade	-	-
Leak Detection Survey	-	-
Water Security System	-	-
Fuel Dispensing & Inventory System	-	-
Environmental Remediation Projects	-	-
DPW Equipment	150,000	
Vehicle Replacements	1,000,000	
Departmental Total	\$ 8,475,000	\$ 4,475,000
<u>LIBRARY:</u>		
Library Materials	\$ -	\$ 400,000
Library Equipment	-	75,000
Facilities Rehabilitation	500,000	-
Vehicles	-	19,000
Departmental Total	\$ 500,000	\$ 494,000
<u>PARKS:</u>		
Animal Shelter Reconstruction	\$ 2,300,000 (1)	\$ 2,000,000
Park Rehabilitation	-	1,000,000
Vehicles	300,000	-
Equipment	25,500	-
Departmental Total	\$ 2,625,500	\$ 3,000,000
<u>MUSEUM:</u>		
Construction/Rehabilitation	\$ -	\$ -
Departmental Total	\$ -	\$ -

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Executive FY 2011	Total Cost For Project	Method of Financing
-	1,500,000	Bonding
-	475,000	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	150,000	Bonding
-	1,000,000	Bonding
\$ -	\$ 12,950,000	
 \$ -	 \$ 400,000	 Bonding
-	75,000	Bonding
-	500,000	Bonding
-	19,000	Bonding
\$ -	\$ 994,000	
 \$ -	 \$ 4,300,000	 Bonding
-	1,000,000	Bonding
-	300,000	Bonding
-	25,500	Bonding
\$ -	\$ 5,625,500	
 \$ -	 \$ -	 Bonding
\$ -	\$ -	

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<u>DEPARTMENT/PROJECT(s)</u>	<u>Authorizations FY 2008/2009</u>	<u>Authorizations FY 2010</u>
<u>POLICE DEPARTMENT:</u>		
Equipment	\$ 836,976	\$ -
Building Rehabilitation	1,000,000	-
Vehicles	1,800,000	-
Departmental Total	\$ 3,636,976	\$ -
<u>PLANNING & DEVELOPMENT:</u>		
Nodine Hill/Elm Streetscape	\$ -	\$ -
Nodine Hill Community Center	-	-
Ashburton Ave. Renewal	-	12,500,000
Larkin Plaza	-	-
Larkin Plaza Garage	-	-
Warbuton Ave. Streetscape	-	-
Streetscapes (Trinity Plaza)	-	-
Day lighting of Sawmill River	-	-
JFK Marina Shore line stabilization	-	-
Redevelopment of Alexander Street	-	-
Ludlow Urban Renewal Plan	-	-
Downtown Renewal Study	-	-
Equipment	-	-
Streetscapes	-	-
Central Park Ave. Streetscape	-	-
Downtown Streetscapes	-	-
Waterfront Park/Pier Infrastructural Improvements	-	-
Engineering Designs	-	-
Environmental Studies	-	-
Saw Mill Bridge Construction	-	-
Departmental Total	\$ -	\$ 12,500,000

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Executive FY 2011	Total Cost For Project	Method of Financing
\$ -	\$ 836,976	Bonding
-	1,000,000	Bonding
-	1,800,000	Bonding
<u>\$ -</u>	<u>\$ 3,636,976</u>	
\$ -	\$ -	Bonding
-	-	Bonding
-	12,500,000	Bonding
-		Bonding
-		Bonding
-	-	Bonding
-		Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
<u>\$ -</u>	<u>\$ 12,500,000</u>	Bonding

CITY OF YONKERS

CAPITAL BUDGET

FISCAL YEAR 2011

<u>DEPARTMENT/PROJECT(s)</u>	<u>Authorizations FY 2008/2009</u>	<u>Authorizations FY 2010</u>
<u>FINANCE:</u>		
Financial System	\$ -	\$ -
Equipment - Office Services	-	-
Vehicles - Code Violations	-	-
Citywide Reassessment	-	-
Equipment - Assessment	190,000	-
Department Total	\$ 190,000	\$ -
<u>CONSTITUENT SERVICES</u>		
Vehicles	-	-
Departmental Total	\$ -	\$ -
<u>GENERAL SERVICES:</u>		
General Rehabilitation/Reconstruction	\$ 600,000	\$ -
Property Acquisition	-	-
Demolition	500,000	-
Vehicles	-	-
Departmental Total	\$ 1,100,000	\$ -
<u>TRAFFIC ENGINEERING</u>		
Vehicles	\$ -	\$ -
Signal Improvements	-	-
Departmental Total	\$ -	\$ -
<u>HOUSING & BUILDING</u>		
Vehicles	\$ -	\$ -
Demolition - Public property	-	-
Demolition - Private property	-	-
Equipment	-	-
Departmental Total	\$ -	\$ -
<u>HUMAN RESOURCES</u>		
MIS Hardware & Software	\$ 1,800,000	\$ -
Departmental Total	\$ 1,800,000	\$ -

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Executive FY 2011	Total Cost For Project	Method of Financing
\$ -	\$ -	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
-	190,000	Bonding
\$ -	\$ 190,000	
-	-	
\$ -	\$ -	Bonding
-	-	
\$ -	\$ 600,000	Bonding
-	-	Bonding
-	500,000	Bonding
-	-	Bonding
\$ -	\$ 1,100,000	
-	-	
\$ -	\$ -	Bonding
-	-	Bonding
\$ -	\$ -	
-	-	
\$ -	\$ -	Bonding
-	-	Bonding
-	-	Bonding
-	-	Bonding
\$ -	\$ -	
-	-	
\$ -	\$ 1,800,000	Bonding
\$ -	\$ 1,800,000	

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<u>DEPARTMENT/PROJECT(S)</u>	<u>Authorizations FY 2008/2009</u>	<u>Authorizations FY 2010</u>
<u>City Clerk</u>		
Chamber Reconstruction	\$ -	\$ -
Departmental Total	\$ -	\$ -
 Total- CITY	 \$ 19,587,476	 \$ 20,469,000
 <u>EDUCATION PROJECTS(1)</u>		
General Rehabilitation	\$ 13,836,000	\$ -
Equipment & Technology Improvement	-	-
Total - EDUCATION	\$ 13,836,000	\$ -
 Grand Total	 \$ 33,423,476	 \$ 20,469,000

Note 1: \$2.3 million of authorization for Animal Shelter was from FY 2005

Note 2: All amounts in FY 2008/2009 and FY 2010 was the amount that was actually financed in FY 2010

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Executive FY 2011	Total Cost For Project	Method of Financing
<u>\$ -</u>	<u>\$ -</u>	Bonding
<u>\$ -</u>	<u>\$ -</u>	
<u>\$ -</u>	<u>\$ 38,256,476</u>	
<u>\$ -</u>	<u>\$ 13,836,000</u>	Bonding/State Bonding
<u>\$ -</u>	<u>\$ -</u>	
<u>\$ -</u>	<u>\$ 13,836,000</u>	
<u>\$ -</u>	<u>\$ 52,092,476</u>	

CITY INDEBTEDNESS

In general, the State legislature has authorized the power and procedure for the City to borrow and incur capital indebtedness by the enactment of the State Local Finance Law, subject to certain constitutional provisions. The City generally authorizes construction and financing of facilities which are of service to the citizens on a City-wide basis. Certain capital projects are subject to regulation and approval of applicable commissions and agencies.

Each bond ordinance requires approval by at least a two-thirds vote of the City Council. The Local Finance Law also provides a twenty-day statute of limitations after publication of an adopted bond ordinance together with a statutory form of notice which, in effect, stops legal challenges to the validity of obligations authorized by such bond ordinance except for alleged constitutional violations.

The City is authorized by the State Constitution to contract debt for objects or purposes which the State Legislature has determined to have a "period of probable usefulness" and the maximum maturity of such debt may not exceed the period of probable usefulness of the object or purpose for which it has been issued. Serial bonds must mature in annual installments and may be issued to finance any object or purpose for which a "period of probable usefulness" has been determined by the State Legislature.

Each bond ordinance usually authorizes the construction, acquisition or installation of the object or purpose to be financed (or identifies the bonds to be refunded), sets for the plan of financing or refinancing, and specifies the maximum maturity of the bonds subject to the legal (constitutional, Local Finance Law and case law) restrictions relating to the applicable periods of probable usefulness.

DEBT SERVICE SCHEDULE

The following table shows the debt service requirements to maturity on the City's outstanding general obligation bonded indebtedness.

<u>ANNUAL DEBT SERVICE REQUIREMENTS</u>			
<u>Maturing During Fiscal Yr. End. 6/30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	36,476,000	19,331,265	55,807,265
2012	34,560,000	17,615,284	52,175,284
2013	35,170,000	16,231,668	51,401,668
2014	35,895,000	14,811,512	50,706,512
2015	37,345,000	13,362,055	50,707,055
2016	37,195,000	11,866,232	49,061,232
2017	36,985,000	10,376,757	47,361,757
2018	33,340,000	8,948,652	42,288,652
2019	32,975,000	7,564,285	40,539,285
2020	19,950,000	6,453,874	26,403,874
2021	15,630,000	5,687,891	21,317,891
2022	8,655,000	5,051,188	13,706,188
2023	9,060,000	4,635,278	13,695,278
2024	9,500,000	4,191,555	13,691,555
2025	9,315,000	3,738,570	13,053,570
2026	7,140,000	3,335,338	10,475,338
2027	7,500,000	2,974,228	10,474,228
2028	7,880,000	2,590,976	10,470,976
2029	7,120,000	2,188,228	9,308,228
2030	7,480,000	1,826,164	9,306,164
2031	7,860,000	1,448,670	9,308,670
2032	6,970,000	1,081,001	8,051,001
2033	4,200,000	801,750	5,001,750
2034	4,415,000	586,375	5,001,375
2035	4,640,000	360,000	5,000,000
2036	<u>4,880,000</u>	<u>122,000</u>	<u>5,002,000</u>
	<u>\$462,136,000</u>	<u>\$167,180,796</u>	<u>\$629,316,796</u>

In addition, the City has a \$27,300,000 Bond Anticipation Note that is currently outstanding.

DEBT LIMIT

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the City may incur. The State Constitution provides that the City may not contract indebtedness in an amount greater than nine percent of the average full value of taxable real property in the City for the most recent five years. Certain indebtedness is excluded in ascertaining the City's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the City's authority to issue debt subject to the limit. Such exclusions are authorized by the Constitution and include the following:

(a) tax anticipation notes, revenue anticipation notes and budget notes, to the extent such obligations are retired within five years of their original issuance;

(b) indebtedness (commonly referred to as "self-sustaining debt") contracted for public improvement or service, which provides sufficient annual revenue after paying annual operating expenses of the improvement or service, to pay at least 25% of the annual interest and principal installments due on such indebtedness. The indebtedness is excluded, after approval by the State Comptroller, in a proportion equal to the proportion of annual debt service covered by net revenues of the improvement or service for which it was contracted. Under State law, the revenues from such improvement or service, for the period of the exclusions, must be used solely for debt service on the excluded indebtedness and operating and other costs of the improvement or service or deposited in a serial account to be used for such purposes; and

(c) indebtedness contracted for supply of water.

The following table shows the debt-contracting power within the debt limit as of July 1, 2010.

STATEMENT OF DEBT-CONTRACTING POWER

Debt-Contracting Limitation:	<u>Projected as of July 1, 2010</u>
Nine Per Centum of five year average full valuation of taxable real property	\$2,038,179,776
Outstanding Indebtedness:	
BAN	\$ 27,300,000
Serial Bonds	<u>462,136,000</u>
Total Indebtedness	<u>\$ 489,436,000</u>
Less: Exclusions	
Debts created after January 1, 1980 to provide for water supply improvements:	
Bonds	\$ 29,283,634
Appropriations (FY 2011)	<u>34,246,515</u>
	<u>\$ 63,530,149</u>
Net Indebtedness	\$ 425,905,851
Margin of Debt-Contracting Capacity	<u>\$1,612,273,925</u>
Percentage of Debt-Contracting Capacity Remaining	79.10%

CITY OF YONKERS---F.Y. 2011 DEBT SERVICE

	General Fund	Education Fund	Sewer Fund	Water Fund	Library Fund	Museum Fund	Total Funds
Capital Bond - Principal	\$ 17,851,257	\$ 13,346,000	\$ 1,919,583	\$ 2,229,485	\$ 708,253	\$ 421,422	\$ 36,476,000
Bans/Rans - Principal	-	-	-	-	-	-	-
Capital Note - Principal	-	-	-	-	-	-	-
Parking Authority Guarantee	350,000	-	-	-	-	-	350,000
ERS Amortization - Principal	3,277,612	272,053	-	-	-	-	3,549,665
ESCO Loan - Principal	-	838,330	-	-	-	-	838,330
State Loan Repayment	-	200,000	-	-	-	-	200,000
Total	\$ 21,478,869	\$ 14,656,383	\$ 1,919,583	\$ 2,229,485	\$ 708,253	\$ 421,422	\$ 41,413,995
Capital Bond - Interest	\$ 10,946,046	\$ 5,064,778	\$ 1,465,725	\$ 1,311,668	\$ 331,116	\$ 211,936	\$ 19,331,269
Bans/Rans - Interest	3,593,352	-	-	-	-	-	3,593,352
Capital Note - Interest	-	-	-	-	-	-	-
Parking Authority Guarantee	-	-	-	-	-	-	-
ERS Amortization - Interest	1,069,436	77,470	-	-	-	-	1,146,906
ESCO Loan - Interest	-	876,763	-	-	-	-	876,763
Total	\$ 15,608,834	\$ 6,019,011	\$ 1,465,725	\$ 1,311,668	\$ 331,116	\$ 211,936	\$ 24,948,290
Total Capital - Notes	\$ 28,797,303	\$ 18,410,778	\$ 3,385,308	\$ 3,541,153	\$ 1,039,369	\$ 633,358	\$ 55,807,269
Total Bans/Rans	3,593,352	-	-	-	-	-	3,593,352
Total Capital Notes	-	-	-	-	-	-	-
Total Parking Authority Guarantee	350,000	-	-	-	-	-	350,000
Amortization of Pension Costs	4,347,048	349,523	-	-	-	-	4,696,571
ESCO Loan	-	1,715,093	-	-	-	-	1,715,093
Total State Loan Repayment	-	200,000	-	-	-	-	200,000
Total	\$ 37,087,703	\$ 20,675,394	\$ 3,385,308	\$ 3,541,153	\$ 1,039,369	\$ 633,358	\$ 66,362,285
Exclusion Calculation - Credits							
Premium/Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Court Security Aid	-	-	-	-	-	-	-
Unused Authorizations	-	-	-	-	-	-	-
Premium on Securities	-	-	-	-	-	-	-
Interest on Debt Service	8,276	500	-	-	-	-	8,776
Earnings on State Deposits	-	-	-	-	-	-	-
Total	\$ 8,276	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 8,776
Repayment of State Loan	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Amortization of Pension Costs	4,347,048	349,523	-	-	-	-	4,696,571
ESCO Loan	-	1,715,093	-	-	-	-	1,715,093
Capital Note - Principal/Int.	-	-	-	-	-	-	-
Parking Authority Guarantee	350,000	-	-	-	-	-	350,000
Reserve for Debt Service	-	-	-	-	-	-	-
Interest on RAN	3,593,352	-	-	-	-	-	3,593,352
Sewer Revenue	-	-	3,385,308	-	-	-	3,385,308
Appropriated Fund Balance	-	-	-	-	-	-	-
Total	\$ 8,290,400	\$ 2,264,616	\$ 3,385,308	\$ -	\$ -	\$ -	\$ 13,940,324
Grand Total - Exclusion	\$ 8,298,676	\$ 2,265,116	\$ 3,385,308	\$ -	\$ -	\$ -	\$ 13,949,100
Limit Exclusion Calculation	\$ 28,789,027	\$ 18,410,278	\$ -	\$ 3,541,153	\$ 1,039,369	\$ 633,358	\$ 52,413,185

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